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SPEAKER BROMM: Senator Stuthman, you have four minutes.

SENATOR STUTHMAN: Thank you, Senator McDonald. I would just like to make a few comments, as far as the labor portions of repair projects, which is the issue that we're dealing with right now. The labor portion of the repair tends to be 50 to 70 percent of the cost when you're doing a project like this, because it's tearing into something, removing, replacing, and adding in new, and piecemealing stuff together. So we're trying to get a sales tax on that labor portion, which is a large portion of the repair project, which in turn adds into the value of your property on your assessed value. On a new construction, which they're proposing that that is exempt, the labor portion on it, the labor of a new project isn't 50 percent of the cost of it. It isn't near that. Because a new project, you just take new pieces, just place them together, and not near the time is involved in that. But this is the thing that really concerns me. I have a little sympathy with the fact that there's \$50 million that could help with our situation. But I think we're trying to get those \$50 million from a group of people, and not everyone, and that has a real concern of mine. We're... anyone that finally gets a few thousand dollars together and wants to improve something, they're going to pay a sales tax on that. And then when they go get their valuation statement, they've increased their value by the certain amount of dollars, and continue to pay taxes on that improvement. The improvements I really appreciate on counties or for the state. We need to continually try to increase the value of individual properties, and for the county bases, so that there's more valuation there. And then the levy would be lower. But we're not. In this proposal, we're not taxing the labor of a new improvement, which adds a lot of value also. So I think there is a real discrepancy here. I think it's going to muddy the water. We've got people that do just very small repair projects. And there are people that only do it during the summertime as a part-time job, as being a contractor. If this is in place, then they're going to have to get someone, their accountant, or whoever does their book work, to figure out the process of how to file this with the state, of which they have possibly never done this before. So it's going to... it's a lot broader than just charging the individual a sales tax, especially to these small